

Amendment No. 342

Assembly Amendment to Assembly Bill No. 356	(BDR 48-1090)
<b>Proposed by:</b> Assembly Committee on Natural Resources	
<b>Amends:</b> Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will REMOVE the 2/3s majority vote requirement from A.B. 356.
--

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

ERS/HAC



Date: 4/18/2021

A.B. No. 356—Makes various changes relating to the conservation of water.  
(BDR 48-1090)





ASSEMBLY BILL NO. 356—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE OFFICE OF FINANCE  
IN THE OFFICE OF THE GOVERNOR)

MARCH 22, 2021

Referred to Committee on Natural Resources

SUMMARY—Makes various changes relating to the conservation of water.  
(BDR ~~[48-1090]~~ **S-1090**)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to water; ~~[creating and setting forth the requirements for the Program for the Conservation of Water; creating the Account for Purchasing and Retiring Water Rights; authorizing the State Engineer to purchase and retire certain water rights with money from the Account;]~~ **prohibiting, with certain exceptions, the use of water from the Colorado River to irrigate nonfunctional turf on certain property; requiring the Board of Directors of the Southern Nevada Water Authority to develop a plan for the removal of nonfunctional turf on certain property; creating and setting forth the duties of the Nonfunctional Turf Removal Advisory Committee; requiring the Legislative Committee on Public Lands to conduct a study concerning water conservation;** and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 ~~— Under existing law, any person who wishes to appropriate public waters, or to change the~~
- 2 ~~place of diversion, manner of use or place of use of water already appropriated must apply to~~
- 3 ~~the State Engineer for a permit to do so. (NRS 533.325) Existing law further provides that the~~
- 4 ~~failure to use beneficially all or part of a water right may result in the forfeiture of the unused~~
- 5 ~~water. (NRS 534.090)~~
- 6 ~~— Sections 2-18 of this bill create a voluntary program for water conservation which allows~~
- 7 ~~certain persons holding perfected water rights that are used for irrigation to apply to the State~~
- 8 ~~Engineer for an allocation of conserved water based on conservation measures implemented~~
- 9 ~~by the person which allow the person to conserve water. The conserved water will be~~
- 10 ~~allocated between the applicant and the source of the water to create a reserve of water in each~~
- 11 ~~basin.~~
- 12 ~~— Section 7 of this bill creates the Program for the Conservation of Water and prohibits the~~
- 13 ~~State Engineer from requiring any person to conserve water pursuant to, or otherwise~~
- 14 ~~participate in, the Program.~~
- 15 ~~— Sections 3-6 of this bill define various terms related to the Program.~~

16 ~~— Section 8 of this bill sets forth the requirements for a person or group of persons who hold~~  
17 ~~one or more perfected water rights which lists irrigation as the manner of use to submit an~~  
18 ~~application to the State Engineer for participation in the Program in order to obtain an~~  
19 ~~allocation of conserved water resulting from one or more conservation measures. The~~  
20 ~~application must: (1) propose one or more conservation measures that the applicant will~~  
21 ~~implement if the application is approved; or (2) describe one or more conservation measures~~  
22 ~~that the applicant has already implemented. Section 9 of this bill requires the State Engineer to~~  
23 ~~reject an application if any conservation measure was implemented more than 5 years before~~  
24 ~~the date on which the application is submitted.~~

25 ~~— Section 30 of this bill sets forth a fee to apply for participation in the Program.~~

26 ~~— Section 10 of this bill requires the State Engineer to publish a notice of an application for~~  
27 ~~participation in the Program.~~

28 ~~— Section 11 of this bill: (1) authorizes any person to object to an allocation of conserved~~  
29 ~~water proposed in an application by filing a written protest with the State Engineer; and (2)~~  
30 ~~requires the State Engineer to consider any such protest.~~

31 ~~— Section 12 of this bill sets forth the requirements for the State Engineer in reviewing an~~  
32 ~~application for an allocation of conserved water, which include determining the quantity of~~  
33 ~~conserved water that will result from the conservation measures if the application is approved~~  
34 ~~and whether there will be any conflicts or impacts on other existing water rights or protectable~~  
35 ~~interests in domestic wells that require mitigation. Section 12 also requires the State Engineer~~  
36 ~~to deny an application if the State Engineer determines that the proposed allocation of~~  
37 ~~conserved water to the applicant will result in a conflict with any existing water right or~~  
38 ~~protectable interest in a domestic well or otherwise threaten the public interest. Section 25 of~~  
39 ~~this bill authorizes the State Engineer to consider the consumptive use of a water right and the~~  
40 ~~consumptive use of a proposed beneficial use of water in determining whether the proposed~~  
41 ~~allocation of conserved water creates such a conflict.~~

42 ~~— Section 13 of this bill provides that if an application is approved, the State Engineer will~~  
43 ~~issue to the applicant a new certificate for the remainder of the existing water right and, once~~  
44 ~~the conservation measure is fully implemented, a new permit for the allocation of conserved~~  
45 ~~water. Section 13 also provides that the priority date of the new certificate and permit is the~~  
46 ~~same as the priority date of the original water right.~~

47 ~~— Section 14 of this bill requires the State Engineer to reserve conserved water allocated to~~  
48 ~~the source until 10 percent of the perennial yield of the basin has been reserved. Such reserved~~  
49 ~~water is not available for any use. Section 20 of this bill makes a conforming change to~~  
50 ~~provisions that require the reserve of groundwater under certain circumstances.~~

51 ~~— Section 15 of this bill provides that a person is not required to submit an application for a~~  
52 ~~permit to change the place of diversion, manner of use or place of use in relation to any~~  
53 ~~conserved water. Section 23 of this bill makes a conforming change to the general~~  
54 ~~requirement to submit such an application.~~

55 ~~— Section 16 of this bill provides that a person who receives an allocation of conserved~~  
56 ~~water may: (1) reserve the water for future use; or (2) use, sell, lease or transfer the conserved~~  
57 ~~water. An allocation of conserved water that is reserved for future use is not subject to~~  
58 ~~cancellation, forfeiture or abandonment. Sections 22, 27-29 and 35 of this bill make~~  
59 ~~conforming changes to provisions relating to cancellation, forfeiture and abandonment.~~

60 ~~— Section 17 of this bill authorizes a political subdivision to purchase or accept a gift of a~~  
61 ~~right to the use of conserved water. Section 17 also provides that the political subdivision may~~  
62 ~~request that the water remain in the source and the right to the use of such conserved water~~  
63 ~~that remains in the source is not subject to appropriation, cancellation, forfeiture or~~  
64 ~~abandonment. Sections 21, 22, 24, 26-29 and 35 of this bill make conforming changes relating~~  
65 ~~to appropriation, cancellation, forfeiture and abandonment.~~

66 ~~— Section 18 of this bill requires the State Engineer to adopt regulations to carry out the~~  
67 ~~Program for the Conservation of Water.~~

68 ~~— Section 31 of this bill authorizes a person who is aggrieved by a decision of the State~~  
69 ~~Engineer in regards to the Program for the Conservation of Water to seek judicial review.~~

70 ~~— Section 19 of this bill revises the policies of the State to include various provisions~~  
71 ~~relating to water conservation.~~

72 ~~— Section 33 of this bill creates the Account for Purchasing and Retiring Water Rights and~~  
73 ~~requires that the money in the Account only be expended for the purchase of water rights in~~  
74 ~~groundwater basins that are over-appropriated. Section 34 of this bill establishes the~~

~~Purchasing and Retiring Water Rights Program, administered by the State Engineer, and establishes requirements for the purchase and retirement of water rights by the State Engineer. Sections 21, 24 and 26 of this act prohibit the appropriation of water that has been withdrawn pursuant to the Purchasing and Retiring Water Rights Program.~~

Existing law authorizes public agencies to enter into cooperative agreements to perform any governmental service, activity or undertaking which the public agency is authorized to perform under law and, pursuant to which, the Southern Nevada Water Authority was created. (NRS 277.080-277.180) Section 39 of this bill prohibits, with certain exceptions, the waters of the Colorado River that are distributed by the Southern Nevada Water Authority from being used to irrigate nonfunctional turf on any property that is not zoned exclusively for a single-family residence on and after January 1, 2027. Section 39 also requires the Board of Directors of the Southern Nevada Water Authority to: (1) define nonfunctional and functional turf for the purposes of this prohibition; and (2) develop a plan to identify and facilitate the removal of nonfunctional turf within the service area of the Southern Nevada Water Authority on property that is not zoned exclusively for a single-family residence before December 31, 2026, in phases based on the categories of water users. Section 39 further authorizes the Board of Directors to approve an extension or waiver from: (1) the prohibition on the use of waters from the Colorado River to irrigate nonfunctional turf; and (2) the provisions of the plan developed by the Board of Directors for the removal of nonfunctional turf.

Section 40 of this bill creates the Nonfunctional Turf Removal Advisory Committee. Section 41 of this bill sets forth the duties of the Advisory Committee.

Sections 37 and 38 of this bill define certain terms for the purposes of sections 36-41 of this bill.

Under existing law, the Legislative Committee on Public Lands is authorized to review and comment on laws, regulations and policies relating to the use, allocation and management of water in this State. (NRS 218E.525) Section 42 of this bill requires the Legislative Committee on Public Lands to conduct a study concerning water conservation and to submit a report of its findings and any recommendations for legislation to the 82nd Session of the Nevada Legislature.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. [Chapter 533 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 18, inclusive, of this act.] (Deleted by amendment.)

Sec. 2. [As used in sections 2 to 18, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 6, inclusive, of this act, have the meanings ascribed to them in those sections.] (Deleted by amendment.)

Sec. 3. [“Conservation” means a reduction of the amount of water diverted or pumped for irrigation that is achieved.

— 1. By improving the technology or method used to divert, pump, transport, apply or recover the water; or

— 2. By using some other measure that is approved by the State Engineer.] (Deleted by amendment.)

Sec. 4. [“Conserved water” means the amount of water that results from the implementation of one or more conservation measures, which is measured as the difference between:

— 1. The smaller of:

— (a) The amount stated on the perfected water right; or

— (b) The maximum amount of water for irrigation that may be diverted using existing works for the diversion of water; and

~~2. The amount of water needed for irrigation after the conservation measure or measures, as applicable, have been implemented. (Deleted by amendment.)~~

~~Sec. 5. [“Perfected water right” means a water right that has been finalized through the issuance of:~~

~~1. A certificate of appropriation; or~~

~~2. A court decree.] (Deleted by amendment.)~~

~~Sec. 6. [“Program” means the Program for the Conservation of Water created by section 7 of this act.] (Deleted by amendment.)~~

~~Sec. 7. [1. The Program for the Conservation of Water is hereby created.~~

~~2. The provisions of sections 2 to 18, inclusive, of this act apply to the Program.~~

~~3. The State Engineer shall not require any person to conserve water pursuant to, or otherwise participate in, the Program.] (Deleted by amendment.)~~

~~Sec. 8. [1. Except as otherwise provided in subsection 3, a person or group of persons who hold one or more perfected water rights which list irrigation as the manner of use may submit an application to the State Engineer for participation in the Program in order to obtain an allocation of conserved water for one or more conservation measures that:~~

~~(a) The person or group intends to implement if the application is approved by the State Engineer; or~~

~~(b) Were implemented by the person or group not more than 5 years before the date on which the person submits the application.~~

~~2. An application submitted pursuant to subsection 1 must include the following:~~

~~(a) For a conservation measure that will be implemented if the application is approved:~~

~~(1) A description of the conservation measure.~~

~~(2) A description of the existing works of diversion and an estimate of the amount of water that can be diverted at the works of diversion.~~

~~(3) The amount of water that the applicant will need for irrigation after the implementation of the conservation measure.~~

~~(4) The amount of conserved water expected from the implementation of the conservation measure.~~

~~(5) The proposed allocation of the conserved water between the applicant and the source of the water. The proposed allocation must reserve at least 25 percent of any conserved water back to the source.~~

~~(6) The intended use of the conserved water allocated to the applicant if the application is approved.~~

~~(7) If any of the applicant’s perfected water rights are for surface water located within the boundaries of an irrigation district, evidence that a majority of the board of directors of the irrigation district has approved a request to submit the application pursuant to subsection 3.~~

~~(8) Any other information the State Engineer considers necessary to evaluate the application.~~

~~(b) For a conservation measure that was implemented before the application was submitted:~~

~~(1) A description of the conservation measure and the date on which the conservation measure was implemented by the applicant.~~

~~(2) A description of the works of diversion before the conservation measure was implemented and the amount of water that could be diverted at the works of diversion before the conservation measure was implemented.~~

~~(3) The amount of water that the applicant uses for irrigation since the implementation of the conservation measure.~~

~~(4) The amount of conserved water that resulted from the implementation of the conservation measure.~~

~~(5) The proposed allocation of the conserved water between the applicant and the source of the water. The proposed allocation must reserve at least 25 percent of any conserved water back to the source.~~

~~(6) The intended use of the conserved water allocated to the applicant if the application is approved.~~

~~(7) If the applicant's perfected water right is for surface water located within the boundaries of an irrigation district, evidence that a majority of the board of directors of the irrigation district has approved a request to submit the application pursuant to subsection 3.~~

~~(8) Evidence that the conservation measure was implemented not more than 5 years before the date on which the application is filed with the State Engineer.~~

~~(9) Any other information the State Engineer considers necessary to evaluate the application.~~

~~3. If any of the perfected water right or rights are for surface water located within the boundaries of an irrigation district, the person or group must obtain approval to submit an application for participation in the Program to the board of directors of the irrigation district before submitting an application to the State Engineer. If a majority of the board of directors of the irrigation district approves the request to submit an application for participation in the Program, the person or group may submit an application to the State Engineer pursuant to subsection 1. **(Deleted by amendment.)**~~

~~Sec. 9. [If an applicant submits an application for participation in the Program that relates to a conservation measure that was implemented by the applicant more than 5 years before the date on which the application is submitted, the State Engineer:~~

~~1. Must immediately reject the application; and~~

~~2. Must not publish the application pursuant to section 10 of this act.]~~

**(Deleted by amendment.)**

~~Sec. 10. [1. Except as otherwise provided in section 9 of this act, within 30 days after the receipt of an application submitted pursuant to section 8 of this act, the State Engineer shall publish once a week for 4 consecutive weeks in a newspaper of general circulation in the county where the point of diversion is located, a notice of the application which sets forth:~~

~~(a) That the application has been filed;~~

~~(b) The date of the filing;~~

~~(c) The name and address of the applicant;~~

~~(d) The name of the source of the perfected water right to which the application pertains;~~

~~(e) The location of the point of diversion, described by:~~

~~(1) Legal subdivision or metes and bounds; and~~

~~(2) A physical description.~~

~~(f) The applicant's intended use of his or her allocation of conserved water if the application is approved.~~

~~2. The publisher shall add to the notice the date of the first publication and the date of the last publication.~~

~~3. Proof of publication must be filed within 30 days after the final day of publication. The State Engineer shall pay for the publication from the publication fee required pursuant to NRS 533.435. If the application is cancelled~~

1 ~~for any reason before publication, the State Engineer shall return to the~~  
2 ~~applicant the fee collected for publication.] (Deleted by amendment.)~~

3 **Sec. 11.** ~~[1. Any person may object to the allocation of conserved water~~  
4 ~~proposed in an application for the Program by filing a written protest with the~~  
5 ~~State Engineer. The protest must set forth with reasonable certainty the grounds~~  
6 ~~of such protest and be verified by the affidavit of the protestant, or an agent or~~  
7 ~~attorney thereof.~~

8 ~~2. Upon receipt of a protest that complies with the requirements of~~  
9 ~~subsection 1, the State Engineer shall notify the applicant of the protest by~~  
10 ~~certified mail.~~

11 ~~3. The State Engineer shall consider the protest and may, in his or her~~  
12 ~~discretion, hold a hearing and require the filing of such evidence as the State~~  
13 ~~Engineer deems necessary for a full understanding of the rights involved. The~~  
14 ~~State Engineer shall give notice of the hearing by certified mail to both the~~  
15 ~~applicant and the protestant. The notice must state the time and place at which~~  
16 ~~the hearing is to be held and must be mailed not less than 15 days before the date~~  
17 ~~set for the hearing.~~

18 ~~4. The applicant and protestant shall, in accordance with a schedule~~  
19 ~~established by the State Engineer, provide to the State Engineer and to each other~~  
20 ~~the information required by the State Engineer relating to the application or~~  
21 ~~protest.~~

22 ~~5. If the State Engineer holds a hearing pursuant to subsection 3, the State~~  
23 ~~Engineer shall render a decision on the application not later than 240 days after~~  
24 ~~the later of:~~

25 ~~(a) The date all transcripts of the hearing become available to the State~~  
26 ~~Engineer; or~~

27 ~~(b) The date specified by the State Engineer for the filing of any additional~~  
28 ~~information, evidence, studies or compilations requested by the State Engineer.~~  
29 ~~The State Engineer may, for good cause shown, extend any applicable period.~~

30 ~~6. Any hearing must be held in accordance with the rules of practice~~  
31 ~~adopted by the State Engineer pursuant to subsection 7 of NRS 533.365.]~~  
32 ~~(Deleted by amendment.)~~

33 **Sec. 12.** ~~[1. The State Engineer shall determine:~~

34 ~~(a) The quantity of conserved water that will result from the conservation~~  
35 ~~measures if the State Engineer approves the application;~~

36 ~~(b) Whether the approval of the application will result in a conflict with any~~  
37 ~~other existing water rights or with protectable interests in existing domestic wells,~~  
38 ~~or otherwise threatens to prove detrimental to the public interest; and~~

39 ~~(c) Whether there is any need to mitigate the conservation impacts of the~~  
40 ~~application on other existing water rights or protectable interests in existing~~  
41 ~~domestic wells.~~

42 ~~2. The State Engineer shall deny the application if the State Engineer~~  
43 ~~determines the allocation of conserved water to the applicant will result in a~~  
44 ~~conflict with any existing water right or protectable interest in a domestic well or~~  
45 ~~otherwise threaten the public interest.] (Deleted by amendment.)~~

46 **Sec. 13.** ~~[1. If the State Engineer approves an application for an~~  
47 ~~allocation of conserved water, the State Engineer must:~~

48 ~~(a) Issue the applicant a new certificate for the unaffected portion of his or~~  
49 ~~her original perfected water right; and~~

50 ~~(b) Issue the applicant a new permit to appropriate water for the allocation of~~  
51 ~~conserved water as soon as the applicant demonstrates that the conservation~~  
52 ~~measure has been fully implemented.~~



~~2. The priority date of the new certificate and permit issued by the State Engineer pursuant to this section is the same as the priority date of the original perfected water right.~~

~~3. A certificate or permit for the allocation of conserved water issued pursuant to this section has the same legal status as any other water right for which a permit or certificate has been issued pursuant to the provisions of chapter 533 of NRS, regardless of whether the conserved water is reserved for future use or managed in the source.] (Deleted by amendment.)~~

~~Sec. 14. [1. The State Engineer shall notify the applicant and any other person who has requested notice of the disposition of the application and the allocation of conserved water proposed by the State Engineer. If the State Engineer approves an application, he or she must allocate at least 25 percent of the conserved water to the source.~~

~~2. In each hydrographic basin, the State Engineer:~~

~~(a) Shall reserve all conserved water allocated to the source pursuant to the Program until 10 percent of the perennial yield of the basin has been reserved pursuant to this section and NRS 533.0241. The conserved water held in reserve is not available for any use.~~

~~(b) May make any conserved water not held in reserve available for appropriation in accordance with the provisions of NRS 533.324 to 533.435, inclusive.] (Deleted by amendment.)~~

~~Sec. 15. [A person is not required to submit an application for a permit to change the place of diversion, manner of use or place of use pursuant to NRS 533.345 in relation to any conserved water.] (Deleted by amendment.)~~

~~Sec. 16. [1. Any person who has been allocated conserved water pursuant to the Program may:~~

~~(a) Reserve the conserved water for future use;~~

~~(b) Use the conserved water on another property owned by the person; or~~

~~(c) Sell, lease or transfer the right to the use of the conserved water.~~

~~2. If a person sells, leases or transfers the right to the use of the conserved water:~~

~~(a) The person must notify the State Engineer; and~~

~~(b) The provisions of NRS 533.382 to 533.387, inclusive, apply to the conveyance.~~

~~3. Any permit or right to conserved water that is reserved for future use is not subject to cancellation pursuant to NRS 533.300, 533.305 or 533.410 or to abandonment or forfeiture pursuant to NRS 533.060 or 534.000.] (Deleted by amendment.)~~

~~Sec. 17. [1. A political subdivision of this State may:~~

~~(a) Purchase a right to the use of conserved water or accept a gift of a right to the use of conserved water; and~~

~~(b) Request that any conserved water held by the political subdivision remain in the source.~~

~~2. If a political subdivision of this State requests that conserved surface water remain in the source, the State Engineer, water commissioner, water master or other entity responsible for the distribution of the conserved water must manage the conserved water to ensure that the conserved water remains in the source. Such water is not available for any use.~~

~~3. Any permit or right to conserved water that is managed in the source pursuant to this section is not subject to cancellation pursuant to NRS 533.300, 533.305 or 533.410 or to abandonment or forfeiture pursuant to NRS 533.060 or 534.000.] (Deleted by amendment.)~~

1        **Sec. 18.** ~~[The State Engineer shall adopt regulations to carry out the~~  
 2 ~~provisions of sections 2 to 18, inclusive, of this act, which may include, without~~  
 3 ~~limitation, formulas or other criteria to:~~

4 ~~— 1. Evaluate the effects of an allocation of conserved water on existing water~~  
 5 ~~rights and protectable interests in domestic wells; and~~

6 ~~— 2. Determine to what extent mitigation of the impact of an allocation of~~  
 7 ~~conserved water on existing water rights or protectable interests in domestic wells~~  
 8 ~~may be required to avoid a conflict.] (Deleted by amendment.)~~

9        **Sec. 19.** ~~[NRS 533.024 is hereby amended to read as follows:~~  
 10 ~~— 533.024 The Legislature declares that:~~

11 ~~— 1. It is the policy of this State:~~

12 ~~— (a) To encourage and promote the use of effluent, where that use is not~~  
 13 ~~contrary to the public health, safety or welfare, and where that use does not~~  
 14 ~~interfere with federal obligations to deliver water of the Colorado River.~~

15 ~~— (b) To recognize the importance of domestic wells as appurtenances to private~~  
 16 ~~homes, to create a protectable interest in such wells and to protect their supply of~~  
 17 ~~water from unreasonable adverse effects which are caused by municipal, quasi-~~  
 18 ~~municipal or industrial uses and which cannot reasonably be mitigated.~~

19 ~~— (c) To encourage the State Engineer to consider the best available science in~~  
 20 ~~rendering decisions concerning the available surface and underground sources of~~  
 21 ~~water in Nevada.~~

22 ~~— (d) To encourage and promote the use of water to prevent or reduce the spread~~  
 23 ~~of wildfire or to rehabilitate areas burned by wildfire, including, without limitation,~~  
 24 ~~through the establishment of vegetative cover that is resistant to fire.~~

25 ~~— (e) To manage conjunctively the appropriation, use and administration of all~~  
 26 ~~waters of this State, regardless of the source of the water.~~

27 ~~— (f) To recognize, encourage and promote the conservation and efficient use~~  
 28 ~~of water for current and future needs by reducing consumptive waste, improving~~  
 29 ~~water quality and allowing for the reservation of water within a stream or~~  
 30 ~~groundwater system.~~

31 ~~— (g) To encourage local cooperation and coordination in the development of~~  
 32 ~~conservation projects to provide incentives for increased water efficiency.~~

33 ~~— (h) To encourage the highest and best use of water by allowing the sale, lease~~  
 34 ~~or transfer of conserved water.~~

35 ~~— 2. The procedures in this chapter for changing the place of diversion, manner~~  
 36 ~~of use or place of use of water, and for confirming a report of conveyance, are not~~  
 37 ~~intended to have the effect of quieting title to or changing ownership of a water~~  
 38 ~~right and that only a court of competent jurisdiction has the power to determine~~  
 39 ~~conflicting claims to ownership of a water right.] (Deleted by amendment.)~~

40        **Sec. 20.** ~~[NRS 533.0241 is hereby amended to read as follows:~~

41 ~~— 533.0241 — 1. For each basin in which there is groundwater that has not been~~  
 42 ~~committed for use, including, without limitation, pursuant to a permit, certificate or~~  
 43 ~~by any other water user in the basin, as of June 5, 2019, the State Engineer shall~~  
 44 ~~reserve 10 percent of the total remaining groundwater that has not been committed~~  
 45 ~~for use in the basin. The amount of groundwater required to be reserved pursuant~~  
 46 ~~to this section includes any amount allocated to the source by the State Engineer~~  
 47 ~~pursuant to section 14 of this act.~~

48 ~~— 2. The groundwater in the basin from the reserve created pursuant to~~  
 49 ~~subsection 1 is not available for any use.] (Deleted by amendment.)~~

50        **Sec. 21.** ~~[NRS 533.030 is hereby amended to read as follows:~~

51 ~~— 533.030 — 1. Subject to existing rights, and except as otherwise provided in~~  
 52 ~~this section and NRS 533.0241 and 533.027, and sections 2 to 18, inclusive, of this~~

~~act and section 34 of this act, all water may be appropriated for beneficial use as provided in this chapter and not otherwise.~~

~~2. The use of water, from any stream system as provided in this chapter and from underground water as provided in NRS 534.080, for any recreational purpose, or the use of water from the Muddy River or the Virgin River to create any developed shortage supply or intentionally created surplus, is hereby declared to be a beneficial use. As used in this subsection:~~

~~(a) "Developed shortage supply" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19884, April 11, 2008, and any subsequent amendment thereto.~~

~~(b) "Intentionally created surplus" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19884, April 11, 2008, and any subsequent amendment thereto.~~

~~3. Except as otherwise provided in subsection 4, in any county whose population is 700,000 or more:~~

~~(a) The board of county commissioners may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any artificially created lake or stream located within the unincorporated areas of the county.~~

~~(b) The governing body of a city may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any artificially created lake or stream located within the boundaries of the city.~~

~~4. In any county whose population is 700,000 or more, the provisions of subsection 1 and of any ordinance adopted pursuant to subsection 3 do not apply to:~~

~~(a) Water stored in an artificially created reservoir for use in flood control, in meeting peak water demands or for purposes relating to the treatment of sewage;~~

~~(b) Water used in a mining reclamation project; or~~

~~(c) A body of water located in a recreational facility that is open to the public and owned or operated by the United States or the State of Nevada.] **(Deleted by amendment.)**~~

**Sec. 22.** ~~[NRS 533.060 is hereby amended to read as follows:~~

~~533.060 1. Rights to the use of water must be limited and restricted to as much as may be necessary, when reasonably and economically used for irrigation and other beneficial purposes, irrespective of the carrying capacity of the ditch. The balance of the water not so appropriated must be allowed to flow in the natural stream from which the ditch draws its supply of water, and must not be considered as having been appropriated thereby.~~

~~2. Rights to the use of surface water shall not be deemed to be lost or otherwise forfeited for the failure to use the water therefrom for a beneficial purpose.~~

~~3. A surface water right that is appurtenant to land formerly used primarily for agricultural purposes is not subject to a determination of abandonment if the surface water right:~~

~~(a) Is appurtenant to land that has been converted to urban use; or~~

~~(b) Has been dedicated to or acquired by a water purveyor, public utility or public body for municipal use.~~

~~4. A surface water right that has been reserved or requested to remain in the source pursuant to the Program for the Conservation of Water created by section 7 of this act is not subject to a determination of abandonment.~~

~~5. In a determination of whether a right to use surface water has been abandoned, a presumption that the right to use the surface water has not been abandoned is created upon the submission of records, photographs, receipts, contracts, affidavits or any other proof of the occurrence of any of the following~~

1 events or actions within a 10-year period immediately preceding any claim that the  
 2 right to use the water has been abandoned;

3 ~~— (a) The delivery of water;~~

4 ~~— (b) The payment of any costs of maintenance and other operational costs  
 5 incurred in delivering the water;~~

6 ~~— (c) The payment of any costs for capital improvements, including works of  
 7 diversion and irrigation; or~~

8 ~~— (d) The actual performance of maintenance related to the delivery of the water.~~

9 ~~[5.] 6. A prescriptive right to the use of the water or any of the public water  
 10 appropriated or unappropriated may not be acquired by adverse possession. Any  
 11 such right to appropriate any of the water must be initiated by applying to the State  
 12 Engineer for a permit to appropriate the water as provided in this chapter.~~

13 ~~[6.] 7. The State of Nevada reserves for its own present and future use all  
 14 rights to the use and diversion of water acquired pursuant to chapter 462, Statutes  
 15 of Nevada 1963, or otherwise existing within the watersheds of Marlette Lake,  
 16 Franktown Creek and Hobart Creek and not lawfully appropriated on April 26,  
 17 1963, by any person other than the Marlette Lake Company. Such a right must not  
 18 be appropriated by any person without the express consent of the Legislature.]~~

19 **(Deleted by amendment.)**

20 **Sec. 23.** ~~[NRS 533.325 is hereby amended to read as follows:~~

21 ~~— 533.325 Except as otherwise provided in NRS 533.027 and 534.065, and  
 22 section 15 of this act, any person who wishes to appropriate any of the public  
 23 waters, or to change the place of diversion, manner of use or place of use of water  
 24 already appropriated, shall, before performing any work in connection with such  
 25 appropriation, change in place of diversion or change in manner or place of use,  
 26 apply to the State Engineer for a permit to do so.] **(Deleted by amendment.)**~~

27 **Sec. 24.** ~~[NRS 533.370 is hereby amended to read as follows:~~

28 ~~— 533.370 1. Except as otherwise provided in this section and NRS 533.0241,  
 29 533.345, 533.371, 533.372 and 533.503, the State Engineer shall approve an  
 30 application submitted in proper form which contemplates the application of water  
 31 to beneficial use if:~~

32 ~~— (a) The application is accompanied by the prescribed fees;~~

33 ~~— (b) The proposed use or change, if within an irrigation district, does not  
 34 adversely affect the cost of water for other holders of water rights in the district or  
 35 lessen the efficiency of the district in its delivery or use of water; and~~

36 ~~— (c) The applicant provides proof satisfactory to the State Engineer of the  
 37 applicant's:~~

38 ~~— (1) Intention in good faith to construct any work necessary to apply the  
 39 water to the intended beneficial use with reasonable diligence; and~~

40 ~~— (2) Financial ability and reasonable expectation actually to construct the  
 41 work and apply the water to the intended beneficial use with reasonable diligence.~~

42 ~~2. Except as otherwise provided in subsection 10, [where there] *the State  
 43 Engineer shall reject an application and refuse to issue the requested permit if:*~~

44 ~~— (a) *There is no unappropriated water in the proposed source of supply [where  
 45 the];*~~

46 ~~— (b) *The groundwater that has not been committed for use has been reserved  
 47 pursuant to NRS 533.0241;*~~

48 ~~— (c) *The water has been reserved or requested to remain in the source  
 49 pursuant to the Program for the Conservation of Water created by section 7 of  
 50 this act;*~~

51 ~~— (d) *The groundwater has been withdrawn pursuant to section 34 of this act;  
 52 or [where its]*~~

1 ~~— (c) The proposed use or change conflicts with existing rights or with~~  
2 ~~protectable interests in existing domestic wells as set forth in NRS 533.024, or~~  
3 ~~threatens to prove detrimental to the public interest. [, the State Engineer shall~~  
4 ~~reject the application and refuse to issue the requested permit.]~~

5 ~~— If a previous application for a similar use of water within the same basin has~~  
6 ~~been rejected on those grounds, the new application may be denied without~~  
7 ~~publication.~~

8 ~~— 3. In addition to the criteria set forth in subsections 1 and 2, in determining~~  
9 ~~whether an application for an interbasin transfer of groundwater must be rejected~~  
10 ~~pursuant to this section, the State Engineer shall consider:~~

11 ~~— (a) Whether the applicant has justified the need to import the water from~~  
12 ~~another basin;~~

13 ~~— (b) If the State Engineer determines that a plan for conservation of water is~~  
14 ~~advisable for the basin into which the water is to be imported, whether the applicant~~  
15 ~~has demonstrated that such a plan has been adopted and is being effectively carried~~  
16 ~~out;~~

17 ~~— (c) Whether the proposed action is environmentally sound as it relates to the~~  
18 ~~basin from which the water is exported;~~

19 ~~— (d) Whether the proposed action is an appropriate long-term use which will not~~  
20 ~~unduly limit the future growth and development in the basin from which the water~~  
21 ~~is exported; and~~

22 ~~— (e) Any other factor the State Engineer determines to be relevant.~~

23 ~~— 4. Except as otherwise provided in this subsection and subsections 6 and 10~~  
24 ~~and NRS 533.365, the State Engineer shall approve or reject each application~~  
25 ~~within 2 years after the final date for filing a protest. The State Engineer may~~  
26 ~~postpone action:~~

27 ~~— (a) Upon written authorization to do so by the applicant.~~

28 ~~— (b) If an application is protested.~~

29 ~~— (c) If the purpose for which the application was made is municipal use.~~

30 ~~— (d) In areas where studies of water supplies have been determined to be~~  
31 ~~necessary by the State Engineer pursuant to NRS 533.368.~~

32 ~~— (e) Where court actions or adjudications are pending, which may affect the~~  
33 ~~outcome of the application.~~

34 ~~— (f) In areas in which adjudication of vested water rights is deemed necessary~~  
35 ~~by the State Engineer.~~

36 ~~— (g) On an application for a permit to change a vested water right in a basin~~  
37 ~~where vested water rights have not been adjudicated.~~

38 ~~— (h) Where authorized entry to any land needed to use the water for which the~~  
39 ~~application is submitted is required from a governmental agency.~~

40 ~~— (i) On an application for which the State Engineer has required additional~~  
41 ~~information pursuant to NRS 533.375.~~

42 ~~— 5. If the State Engineer does not act upon an application in accordance with~~  
43 ~~subsection 4 and 6, the application remains active until approved or rejected by the~~  
44 ~~State Engineer.~~

45 ~~— 6. Except as otherwise provided in this subsection and subsection 10, the~~  
46 ~~State Engineer shall approve or reject, within 6 months after the final date for filing~~  
47 ~~a protest, an application filed to change the point of diversion of water already~~  
48 ~~appropriated when the existing and proposed points of diversion are on the same~~  
49 ~~property for which the water has already been appropriated under the existing water~~  
50 ~~right or the proposed point of diversion is on real property that is proven to be~~  
51 ~~owned by the applicant and is contiguous to the place of use of the existing water~~  
52 ~~right. The State Engineer may postpone action on the application pursuant to~~  
53 ~~subsection 4.~~

~~7. If the State Engineer has not approved, rejected or held a hearing on an application within 7 years after the final date for filing a protest, the State Engineer shall cause notice of the application to be republished pursuant to NRS 533.360 immediately preceding the time at which the State Engineer is ready to approve or reject the application. The cost of the republication must be paid by the applicant. After such republication, a protest may be filed in accordance with NRS 533.365.~~

~~8. If a hearing is held regarding an application, the decision of the State Engineer must be in writing and include findings of fact, conclusions of law and a statement of the underlying facts supporting the findings of fact. The written decision may take the form of a transcription of an oral ruling. The rejection or approval of an application must be endorsed on a copy of the original application, and a record must be made of the endorsement in the records of the State Engineer. The copy of the application so endorsed must be returned to the applicant. Except as otherwise provided in subsection 11, if the application is approved, the applicant may, on receipt thereof, proceed with the construction of the necessary works and take all steps required to apply the water to beneficial use and to perfect the proposed appropriation. If the application is rejected, the applicant may take no steps toward the prosecution of the proposed work or the diversion and use of the public water while the rejection continues in force.~~

~~9. If a person is the successor in interest of an owner of a water right or an owner of real property upon which a domestic well is located and if the former owner of the water right or real property on which a domestic well is located had previously filed a written protest against the granting of an application, the successor in interest must be allowed to pursue that protest in the same manner as if the successor in interest were the former owner whose interest he or she succeeded. If the successor in interest wishes to pursue the protest, the successor in interest must notify the State Engineer in a timely manner on a form provided by the State Engineer.~~

~~10. The provisions of subsections 1 to 9, inclusive, do not apply to an application for an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.~~

~~11. The provisions of subsection 8 do not authorize the recipient of an approved application to use any state land administered by the Division of State Lands of the State Department of Conservation and Natural Resources without the appropriate authorization for that use from the State Land Registrar.~~

~~12. As used in this section, "domestic well" has the meaning ascribed to it in NRS 534.350.] (Deleted by amendment.)~~

**Sec. 25.** [NRS 533.3703 is hereby amended to read as follows:

~~533.3703 1. The State Engineer may consider the consumptive use of a water right and the consumptive use of a proposed beneficial use of water in determining whether [a]:~~

~~(a) A proposed change in the place of diversion, manner of use or place of use complies with the provisions of subsection 2 of NRS 533.370 [.] ; or~~

~~(b) A proposed allocation of conserved water conflicts with existing rights or with protectable interests in existing domestic wells, or threatens to prove detrimental to the public interest pursuant to the Program for the Conservation of Water created by section 7 of this act.~~

~~2. The provisions of this section:~~

~~(a) Must not be applied by the State Engineer in a manner that is inconsistent with any applicable federal or state decree concerning consumptive use,~~

~~(b) Do not apply to any decreed, certified or permitted right to appropriate water which originates in the Virgin River or the Muddy River.] (Deleted by amendment.)~~

1       **Sec. 26.** ~~[NRS 533.371 is hereby amended to read as follows:~~

2       ~~533.371 The State Engineer shall reject the application and refuse to issue a~~  
 3 ~~permit to appropriate water for a specified period if the State Engineer determines~~  
 4 ~~that:~~

- 5       ~~1. The application is incomplete;~~  
 6       ~~2. The prescribed fees have not been paid;~~  
 7       ~~3. The proposed use is not temporary;~~  
 8       ~~4. There is no water available from the proposed source of supply without~~  
 9 ~~exceeding the perennial yield or safe yield of that source;~~  
 10       ~~5. The groundwater that has not been committed for use from the proposed~~  
 11 ~~source of supply has been reserved pursuant to NRS 533.0241;~~  
 12       ~~6. The available water has been reserved or requested to remain in the~~  
 13 ~~source pursuant to the Program for the Conservation of Water created by section~~  
 14 ~~7 of this act;~~  
 15       ~~7. The groundwater has been withdrawn pursuant to section 34 of this act;~~  
 16       ~~8. The proposed use conflicts with existing rights; or~~  
 17       ~~[7.] 9. The proposed use threatens to prove detrimental to the public interest.]~~

18       **(Deleted by amendment.)**

19       **Sec. 27.** ~~[NRS 533.390 is hereby amended to read as follows:~~

20       ~~533.390 1. Any person holding a permit from the State Engineer shall, on or~~  
 21 ~~before the date set for the completion of the work, file in detail a description of the~~  
 22 ~~work as actually constructed. This statement must be verified by the affidavit of the~~  
 23 ~~applicant or the applicant's agent or attorney.~~

24       ~~2. [Should] Except as otherwise provided in sections 16 and 17 of this act,~~  
 25 ~~should any person holding a permit from the State Engineer fail to file with the~~  
 26 ~~State Engineer the proof of completion of work, as provided in this chapter, the~~  
 27 ~~State Engineer shall advise the holder of the permit, by registered or certified mail,~~  
 28 ~~that it is held for cancellation, and should the holder, within 30 days after the~~  
 29 ~~mailing of such advice, fail to file the required affidavit, the State Engineer shall~~  
 30 ~~cancel the permit. For good cause shown, upon application made prior to the~~  
 31 ~~expiration of the 30 day period, the State Engineer may, in his or her discretion,~~  
 32 ~~grant an extension of time in which to file the instruments.] **(Deleted by**~~  
 33 ~~**amendment.)**~~

34       **Sec. 28.** ~~[NRS 533.395 is hereby amended to read as follows:~~

35       ~~533.395 1. [If.] Except as otherwise provided in sections 16 and 17 of this~~  
 36 ~~act, if, at any time in the judgment of the State Engineer, the holder of any permit to~~  
 37 ~~appropriate the public water is not proceeding in good faith and with reasonable~~  
 38 ~~diligence to perfect the appropriation, the State Engineer shall require the~~  
 39 ~~submission of such proof and evidence as may be necessary to show a compliance~~  
 40 ~~with the law. If, in the judgment of the State Engineer, the holder of a permit is not~~  
 41 ~~proceeding in good faith and with reasonable diligence to perfect the appropriation,~~  
 42 ~~the State Engineer shall cancel the permit, and advise the holder of its cancellation.~~  
 43 ~~The failure to provide the proof and evidence required pursuant to this subsection is~~  
 44 ~~prima facie evidence that the holder is not proceeding in good faith and with~~  
 45 ~~reasonable diligence to perfect the appropriation.~~

46       ~~2. If any permit is cancelled under the provisions of this section or NRS~~  
 47 ~~533.390 or 533.410, the holder of the permit may within 60 days of the cancellation~~  
 48 ~~of the permit file a written petition with the State Engineer requesting a review of~~  
 49 ~~the cancellation by the State Engineer at a public hearing. The State Engineer may,~~  
 50 ~~after receiving and considering evidence, affirm, modify or rescind the cancellation.~~

51       ~~3. If the decision of the State Engineer modifies or rescinds the cancellation~~  
 52 ~~of a permit, the effective date of the appropriation under the permit is vacated and~~  
 53 ~~replaced by the date of the filing of the written petition with the State Engineer.~~

~~4. The cancellation of a permit may not be reviewed or be the subject of any judicial proceedings unless a written petition for review has been filed and the cancellation has been affirmed, modified or rescinded pursuant to subsection 2.~~

~~5. For the purposes of this section, the measure of reasonable diligence is the steady application of effort to perfect the appropriation in a reasonably expeditious and efficient manner under all the facts and circumstances. When a project or integrated system is comprised of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.~~

~~6. The appropriation of water or the acquisition or lease of appropriated water from any:~~

~~(a) Stream system as provided for in this chapter; or~~

~~(b) Underground water as provided for in NRS 534.080;~~

~~by a political subdivision of this State or a public utility, as defined in NRS 704.020, to serve the present or the reasonably anticipated future municipal, industrial or domestic needs of its customers for water, as determined in accordance with a master plan adopted pursuant to chapter 278 of NRS or a plan approved by the State Engineer, must be considered when reviewing an extension of time.]~~

**(Deleted by amendment.)**

**Sec. 29.** [NRS 533.410 is hereby amended to read as follows:

~~533.410 [If] **Except as otherwise provided in sections 16 and 17 of this act, if** any holder of a permit from the State Engineer fails, before the date set for filing in the permit or the date set by any extension granted by the State Engineer, to file with the State Engineer proof of application of water to beneficial use, and the accompanying map, if a map is required, the State Engineer shall advise the holder of the permit, by registered or certified mail, that the permit is held for cancellation. If the holder, within 30 days after the mailing of this notice, fails to file with the State Engineer the required affidavit and map, if a map is required, or an application for an extension of time to file the instruments, the State Engineer shall cancel the permit. For good cause shown, upon application made before the expiration of the 30 day period, the State Engineer may grant an extension of time in which to file the instruments.] **(Deleted by amendment.)**~~

**Sec. 30.** [NRS 533.435 is hereby amended to read as follows:

~~533.435 1. The State Engineer shall collect the following fees:~~

For examining and filing an application for a permit to	
— appropriate water .....	\$360.00
This fee includes the cost of publication, which is	
— \$50.	
For reviewing a corrected application or map, or both, in	
— connection with an application for a water right permit .....	100.00
For examining and acting upon plans and specifications for	
— construction of a dam .....	1,200.00
For examining and filing an application for each permit to	
— change the point of diversion, manner of use or place of	
— use of an existing right .....	240.00
This fee includes the cost of publication, which is	
— \$50.	
For examining and filing an application for a temporary	
— permit to change the point of diversion, manner of use	
— or place of use of an existing right .....	180.00
<b>For examining and filing an application for an allocation</b>	



1	<del>of conserved water</del> .....	<del>190.00</del>
2	<del>plus \$50 for publication.</del>	
3	<del>For issuing and recording each permit to appropriate water</del>	
4	<del>for any purpose, except for generating hydroelectric</del>	
5	<del>power which results in nonconsumptive use of the</del>	
6	<del>water, watering livestock or wildlife purposes</del> .....	<del>\$360.00</del>
7	<del>plus \$2 per acre-foot approved or fraction thereof.</del>	
8	<del>Except for generating hydroelectric power, watering</del>	
9	<del>livestock or wildlife purposes, for issuing and recording</del>	
10	<del>each permit to change an existing water right whether</del>	
11	<del>temporary or permanent for any purpose</del> .....	<del>300.00</del>
12	<del>plus \$3 per acre-foot approved or fraction thereof.</del>	
13	<del>For issuing and recording each permit for additional rate of</del>	
14	<del>diversion from a well where no additional volume of</del>	
15	<del>water is granted</del> .....	<del>1,000.00</del>
16	<del>For issuing and recording each permit to change the point</del>	
17	<del>of diversion or place of use of an existing right whether</del>	
18	<del>temporary or permanent for irrigation purposes, a</del>	
19	<del>maximum fee of</del> .....	<del>750.00</del>
20	<del>For issuing and recording each permit to appropriate or</del>	
21	<del>change the point of diversion or place of use of an</del>	
22	<del>existing right whether temporary or permanent for</del>	
23	<del>watering livestock or wildlife purposes</del> .....	<del>240.00</del>
24	<del>plus \$50 for each cubic foot of water per second</del>	
25	<del>approved or fraction thereof.</del>	
26	<del>For issuing and recording each permit to appropriate or</del>	
27	<del>change an existing right whether temporary or</del>	
28	<del>permanent for water for generating hydroelectric power</del>	
29	<del>which results in nonconsumptive use of the water</del> .....	<del>480.00</del>
30	<del>plus \$50 for each cubic foot per second of water</del>	
31	<del>approved or fraction thereof.</del>	
32	<del>For filing and examining a request for a waiver in</del>	
33	<del>connection with an application to drill a well</del> .....	<del>120.00</del>
34	<del>For filing and examining a notice of intent to drill a well</del> .....	<del>25.00</del>
35	<del>For filing and examining an affidavit to relinquish water</del>	
36	<del>rights in favor of use of water for domestic wells</del> .....	<del>300.00</del>
37	<del>For filing a secondary application under a reservoir permit</del> .....	<del>\$300.00</del>
38	<del>For approving and recording a secondary permit under a</del>	
39	<del>reservoir permit</del> .....	<del>540.00</del>
40	<del>For reviewing each tentative subdivision map</del> .....	<del>180.00</del>
41	<del>plus \$1 per lot.</del>	
42	<del>For reviewing and approving each final subdivision map</del> .....	<del>120.00</del>
43	<del>For storage approved under a dam permit for privately</del>	
44	<del>owned nonagricultural dams which store more than 50</del>	
45	<del>acre foot</del> .....	<del>480.00</del>
46	<del>plus \$1.25 per acre-foot storage capacity. This fee</del>	
47	<del>includes the cost of inspection and must be paid</del>	
48	<del>annually.</del>	
49	<del>For flood control detention basins</del> .....	<del>480.00</del>
50	<del>plus \$1.25 per acre-foot storage capacity. This fee</del>	
51	<del>includes the cost of inspection and must be paid</del>	
52	<del>annually.</del>	
53	<del>For filing proof of completion of work</del> .....	<del>60.00</del>

1	For filing proof of beneficial use .....	60.00
2	For issuing and recording a certificate upon approval of the	
3	<del>proof of beneficial use .....</del>	<del>350.00</del>
4	For filing proof of resumption of a water right .....	360.00
5	For filing any protest .....	30.00
6	For filing any application for extension of time within	
7	<del>which to file proofs, of completion or beneficial use, for</del>	
8	<del>each year for which the extension of time is sought .....</del>	<del>120.00</del>
9	For filing any application for extension of time to prevent a	
10	<del>forfeiture, for each year for which the extension of time</del>	
11	<del>is sought .....</del>	<del>120.00</del>
12	For reviewing a cancellation of a water right pursuant to a	
13	<del>petition for review .....</del>	<del>360.00</del>
14	For examining and filing a report of conveyance filed	
15	<del>pursuant to paragraph (a) of subsection 1 of NRS</del>	
16	<del>533.384 .....</del>	<del>120.00</del>
17	<del>plus \$20 per conveyance document.</del>	
18	For filing any other instrument .....	10.00
19	For making a copy of any document recorded or filed in the	
20	<del>Office of the State Engineer, for the first page .....</del>	<del>1.00</del>
21	For each additional page .....	.20
22	For certifying to copies of documents, records or maps, for	
23	<del>each certificate .....</del>	<del>6.00</del>
24	For each copy of any full size drawing or map .....	6.00
25	For each color copy of any full size drawing or map (2' x	
26	<del>3') .....</del>	<del>\$12.00</del>
27	For colored mylar plots .....	10.00

28  
29  
30 ~~— 2. — When fees are not specified in subsection 1 for work required of the Office of the State Engineer, the State Engineer shall collect the actual cost of the work.~~

31  
32 ~~— 3. — Except as otherwise provided in this subsection, all fees collected by the State Engineer under the provisions of this section must be deposited in the State Treasury for credit to the State General Fund. All fees received for copies of any drawing or map must be kept by the State Engineer and used only to pay the costs of printing, replacement and maintenance of printing equipment. Any publication fees received which are not used by the State Engineer for publication expenses must be returned to the persons who paid the fees. If, after exercising due diligence, the State Engineer is unable to make the refunds, the State Engineer shall deposit the fees in the State Treasury for credit to the State General Fund.] (Deleted by amendment.)~~

41 **Sec. 31.** [NRS 533.450 is hereby amended to read as follows:  
42 ~~— 533.450 1. Except as otherwise provided in NRS 533.353, any person feeling aggrieved by any order or decision of the State Engineer, acting in person or through the assistants of the State Engineer or the water commissioner, affecting the person's interests, when the order or decision relates to the administration of determined rights or is made pursuant to NRS 533.270 to 533.445, inclusive, and sections 2 to 18, inclusive, of this act, or NRS 533.481, 534.193, 535.200 or 536.200, may have the same reviewed by a proceeding for that purpose, insofar as may be in the nature of an appeal, which must be initiated in the proper court of the county in which the matters affected or a portion thereof are situated, but on stream systems where a decree of court has been entered, the action must be initiated in the court that entered the decree. The order or decision of the State Engineer remains in full force and effect unless proceedings to review the same are commenced in the~~

1 proper court within 30 days after the rendition of the order or decision in question  
2 and notice thereof is given to the State Engineer as provided in subsection 3.

3 ~~— 2. The proceedings in every case must be heard by the court, and must be~~  
4 ~~informal and summary, but full opportunity to be heard must be had before~~  
5 ~~judgment is pronounced.~~

6 ~~— 3. No such proceedings may be entertained unless notice thereof, containing a~~  
7 ~~statement of the substance of the order or decision complained of, and of the~~  
8 ~~manner in which the same injuriously affects the petitioner's interests, has been~~  
9 ~~served upon the State Engineer, personally or by registered or certified mail, at the~~  
10 ~~Office of the State Engineer at the State Capital within 30 days following the~~  
11 ~~rendition of the order or decision in question. A similar notice must also be served~~  
12 ~~personally or by registered or certified mail upon the person who may have been~~  
13 ~~affected by the order or decision.~~

14 ~~— 4. Where evidence has been filed with, or testimony taken before, the State~~  
15 ~~Engineer, a transcribed copy thereof, or of any specific part of the same, duly~~  
16 ~~certified as a true and correct transcript in the manner provided by law, must be~~  
17 ~~received in evidence with the same effect as if the reporter were present and~~  
18 ~~testified to the facts so certified. A copy of the transcript must be furnished on~~  
19 ~~demand, at actual cost, to any person affected by the order or decision, and to all~~  
20 ~~other persons on payment of a reasonable amount therefor, to be fixed by the State~~  
21 ~~Engineer.~~

22 ~~— 5. An order or decision of the State Engineer must not be stayed unless the~~  
23 ~~petitioner files a written motion for a stay with the court and serves the motion~~  
24 ~~personally or by registered or certified mail upon the State Engineer, the applicant~~  
25 ~~or other real party in interest and each party of record within 10 days after the~~  
26 ~~petitioner files the petition for judicial review. Any party may oppose the motion~~  
27 ~~and the petitioner may reply to any such opposition. In determining whether to~~  
28 ~~grant or deny the motion for a stay, the court shall consider:~~

29 ~~— (a) Whether any nonmoving party to the proceeding may incur any harm or~~  
30 ~~hardship if the stay is granted;~~

31 ~~— (b) Whether the petitioner may incur any irreparable harm if the stay is denied;~~

32 ~~— (c) The likelihood of success of the petitioner on the merits; and~~

33 ~~— (d) Any potential harm to the members of the public if the stay is granted.~~

34 ~~— 6. Except as otherwise provided in this subsection, the petitioner must file a~~  
35 ~~bond in an amount determined by the court, with sureties satisfactory to the court~~  
36 ~~and conditioned in the manner specified by the court. The bond must be filed within~~  
37 ~~5 days after the court determines the amount of the bond pursuant to this~~  
38 ~~subsection. If the petitioner fails to file the bond within that period, the stay is~~  
39 ~~automatically denied. A bond must not be required for a public agency of this State~~  
40 ~~or a political subdivision of this State.~~

41 ~~— 7. Costs must be paid as in civil cases brought in the district court, except by~~  
42 ~~the State Engineer or the State.~~

43 ~~— 8. The practice in civil cases applies to the informal and summary character of~~  
44 ~~such proceedings, as provided in this section.~~

45 ~~— 9. Appeals may be taken to the appellate court of competent jurisdiction~~  
46 ~~pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6~~  
47 ~~of the Nevada Constitution from the judgment of the district court in the same~~  
48 ~~manner as in other civil cases.~~

49 ~~— 10. The decision of the State Engineer is prima facie correct, and the burden~~  
50 ~~of proof is upon the party attacking the same.~~

51 ~~— 11. Whenever it appears to the State Engineer that any litigation, whether now~~  
52 ~~pending or hereafter brought, may adversely affect the rights of the public in water,~~

1 the State Engineer shall request the Attorney General to appear and protect the  
2 interests of the State.] **(Deleted by amendment.)**

3 **Sec. 32.** ~~[Chapter 534 of NRS is hereby amended by adding thereto the~~  
4 ~~provisions set forth as sections 33 and 34 of this act.] **(Deleted by amendment.)**~~

5 **Sec. 33.** ~~[1. The Account for Purchasing and Retiring Water Rights is~~  
6 ~~hereby created in the State General Fund.~~

7 ~~2. The State Engineer shall administer the Account and may apply for and~~  
8 ~~accept any gift, grant, donation, bequest or other source of money for deposit in~~  
9 ~~the Account.~~

10 ~~3. The money in the Account must only be used to purchase water rights~~  
11 ~~pursuant to section 34 of this act.~~

12 ~~4. The interest and income earned on the money in the Account, after~~  
13 ~~deducting any applicable charges, must be credited to the Account.~~

14 ~~5. Any money remaining in the Account at the end of a fiscal year does not~~  
15 ~~revert to the State General Fund, and the balance in the Account must be carried~~  
16 ~~forward to the next fiscal year.~~

17 ~~6. The State Engineer may request an allocation by the Interim Finance~~  
18 ~~Committee from the Contingency Account pursuant to NRS 353.266, 353.268 and~~  
19 ~~353.269 if:~~

20 ~~(a) The balance in the Account is less than \$250,000; or~~

21 ~~(b) The balance in the Account is not sufficient to purchase water rights~~  
22 ~~pursuant to section 34 of this act.] **(Deleted by amendment.)**~~

23 **Sec. 34.** ~~[1. The Purchasing and Retiring Water Rights Program is~~  
24 ~~hereby established for the purpose of purchasing and retiring water rights in~~  
25 ~~groundwater basins where there is an insufficient supply of water available to~~  
26 ~~serve all vested rights, claims of vested rights, permits, certificates and protectable~~  
27 ~~interests in domestic wells in the basin.~~

28 ~~2. The Program must be administered by the State Engineer. In~~  
29 ~~administering the Program, the State Engineer shall, to the extent money is~~  
30 ~~available in the Account for Purchasing and Retiring Water Rights created by~~  
31 ~~section 33 of this act, purchase and retire water rights from persons willing to sell~~  
32 ~~according to the following priority:~~

33 ~~(a) Groundwater basins where the water rights exceed the available water~~  
34 ~~supply by 200 percent or more and where pumping has exceeded the available~~  
35 ~~water supply in the preceding 5 years is the first priority.~~

36 ~~(b) Groundwater basins where groundwater withdrawals have exceeded the~~  
37 ~~available supply of water in the previous 5 years is the second priority.~~

38 ~~(c) Groundwater basins where the water rights exceed the available supply of~~  
39 ~~water by 200 percent or more is the third priority.~~

40 ~~(d) Groundwater basins where the water rights exceed the available water~~  
41 ~~supply by 150 percent or more is the fourth priority.~~

42 ~~(e) Groundwater basins where the water rights exceed the available water~~  
43 ~~supply by 100 percent or more is the fifth priority.~~

44 ~~3. The State Engineer shall purchase a water right based upon the fair~~  
45 ~~market value of the water right at the time of purchase.~~

46 ~~4. The State Engineer shall retire all water rights purchased pursuant to~~  
47 ~~this section and withdraw that groundwater from appropriation. Groundwater~~  
48 ~~that has been withdrawn pursuant to this section is not available for any use.]~~  
49 **(Deleted by amendment.)**

50 **Sec. 35.** [NRS 534.090 is hereby amended to read as follows:

51 ~~— 534.090 1. Except as otherwise provided in this section [,] and sections 14~~  
52 ~~and 17 of this act, failure for 5 successive years after April 15, 1967, on the part of~~  
53 ~~the holder of any right, whether it is an adjudicated right, an unadjudicated right or~~

1 a right for which a certificate has been issued pursuant to NRS 533.425, and further  
2 whether the right is initiated after or before March 25, 1939, to use beneficially all  
3 or any part of the underground water for the purpose for which the right is acquired  
4 or claimed, works a forfeiture of both undetermined rights and determined rights to  
5 the use of that water to the extent of the nonuse.

6 ~~2. If the records of the State Engineer or any other documents obtained by or~~  
7 ~~provided to the State Engineer indicate 4 or more consecutive years of nonuse of all~~  
8 ~~or any part of a water right which is governed by this chapter:~~

9 ~~(a) The State Engineer shall notify the owner of the water right, as determined~~  
10 ~~in the records of the Office of the State Engineer, by registered or certified mail of~~  
11 ~~the nonuse and that the owner has 1 year after the date of the notice of nonuse in~~  
12 ~~which to use the water right beneficially and to provide proof of such use to the~~  
13 ~~State Engineer or apply for relief pursuant to subsection 3 to avoid forfeiting the~~  
14 ~~water right.~~

15 ~~(b) If, after 1 year after the date of the notice of nonuse pursuant to paragraph~~  
16 ~~(a), proof of resumption of beneficial use is not filed in the Office of the State~~  
17 ~~Engineer, the State Engineer shall, unless the State Engineer has granted a request~~  
18 ~~to extend the time necessary to work a forfeiture of the water right, send a final~~  
19 ~~notice to the owner of the water right, as determined in the records of the Office of~~  
20 ~~the State Engineer, by registered or certified mail, that the water right is held for~~  
21 ~~forfeiture. If the owner of the water right, within 30 days after the date of such final~~  
22 ~~notice, fails to file the required proof of resumption of beneficial use or an~~  
23 ~~application for an extension of time to prevent forfeiture, the State Engineer shall~~  
24 ~~declare the right, or the portion of the right not returned to beneficial use, forfeited.~~  
25 ~~The State Engineer shall send notice of the declaration of forfeiture, by registered~~  
26 ~~or certified mail, to the owner of record, as determined in the records of the Office~~  
27 ~~of the State Engineer, of the water right that has been declared forfeited.~~

28 ~~(c) If, after receipt of a notice of the declaration of forfeiture pursuant to~~  
29 ~~paragraph (b), the owner of record of the water right fails to appeal the ruling in the~~  
30 ~~manner provided for in NRS 533.450, and within the time provided for therein, the~~  
31 ~~forfeiture becomes final. Upon the forfeiture of the water right, the water reverts to~~  
32 ~~the public and is available for further appropriation, subject to existing rights.~~

33 ~~3. The State Engineer may, upon the request of the holder of any right~~  
34 ~~described in subsection 1, extend the time necessary to work a forfeiture under~~  
35 ~~subsection 2 if the request is made before the expiration of the time necessary to~~  
36 ~~work a forfeiture. Except as otherwise provided in subsection 4, the State Engineer~~  
37 ~~may grant, upon request and for good cause shown, any number of extensions, but a~~  
38 ~~single extension must not exceed 1 year. In determining whether to grant or deny a~~  
39 ~~request, the State Engineer shall, among other reasons, consider:~~

40 ~~(a) Whether the holder has submitted proof and evidence that the holder is~~  
41 ~~proceeding in good faith and with reasonable diligence to resume use of the water~~  
42 ~~beneficially for the purpose for which the holder's right is acquired or claimed;~~

43 ~~(b) The number of years during which the water has not been put to the~~  
44 ~~beneficial use for which the right is acquired or claimed;~~

45 ~~(c) Any economic conditions or natural disasters which made the holder unable~~  
46 ~~to put the water to that use;~~

47 ~~(d) Whether the water right is located in a basin within a county under a~~  
48 ~~declaration of drought by the Governor, United States Secretary of Agriculture or~~  
49 ~~the President of the United States;~~

50 ~~(e) Whether the holder has demonstrated efforts to conserve water which have~~  
51 ~~resulted in a reduction in water consumption;~~

~~(f) Whether the water right is located in a basin that has been designated as a critical management area by the State Engineer pursuant to subsection 7 of NRS 534.110;~~

~~(g) The date of priority of the water right as it relates to the potential curtailment of water use in the basin;~~

~~(h) The availability of water in the basin, including, without limitation, whether withdrawals of water consistently exceed the perennial yield of the basin; and~~

~~(i) Any orders restricting use or appropriation of water in the basin.~~

~~The State Engineer shall notify, by registered or certified mail, the owner of the water right, as determined in the records of the Office of the State Engineer, of whether the State Engineer has granted or denied the holder's request for an extension pursuant to this subsection. If the State Engineer grants an extension pursuant to this subsection and, before the expiration of that extension, proof of resumption of beneficial use or another request for an extension is not filed in the Office of the State Engineer, the State Engineer shall send a final notice to the owner of the water right, by registered or certified mail, that the water right will be declared forfeited if the owner of the water right fails to file the required proof of resumption of beneficial use or an application for an extension of time to prevent forfeiture within 30 days after the date of the final notice. If the owner of the water right fails to file the required proof of resumption of beneficial use or an application for an extension of time to prevent forfeiture within 30 days after the date of such final notice, the State Engineer shall declare the water right, or the portion of the right not returned to beneficial use, forfeited.~~

~~4. If the State Engineer grants an extension pursuant to subsection [1] 2 or 3 in a basin:~~

~~(a) Where withdrawals of groundwater consistently exceed the perennial yield of the basin; or~~

~~(b) That has been designated as a critical management area by the State Engineer pursuant to subsection 7 of NRS 534.110;~~

~~a single extension must not exceed 3 years, but any number of extensions may be granted to the holder of such a right.~~

~~5. The failure to receive a notice pursuant to subsection 2 or 3 does not nullify the forfeiture or extend the time necessary to work the forfeiture of a water right.~~

~~6. [A] *Except as otherwise provided in sections 2 to 18, inclusive, of this act,* a right to use underground water whether it is vested or otherwise may be lost by abandonment. If the State Engineer, in investigating a groundwater source, upon which there has been a prior right, for the purpose of acting upon an application to appropriate water from the same source, is of the belief from his or her examination that an abandonment has taken place, the State Engineer shall so state in the ruling approving the application. If, upon notice by registered or certified mail to the owner of record who had the prior right, the owner of record of the prior right fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the alleged abandonment declaration as set forth by the State Engineer becomes final.] **(Deleted by amendment.)**~~

Sec. 36. As used in sections 36 to 41, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 37 and 38 of this act have the meanings ascribed in those sections.

Sec. 37. "Board of Directors" means the Board of Directors of the Southern Nevada Water Authority.

Sec. 38. "Southern Nevada Water Authority" means the political subdivision of the State of Nevada created on July 25, 1991, by a cooperative agreement entered into on that date pursuant to the provisions of NRS 277.080 to 277.180, inclusive.

1        Sec. 39. 1. Except as otherwise provided in this section, on and after  
2 January 1, 2027, the waters of the Colorado River distributed by the Southern  
3 Nevada Water Authority may not be used to irrigate nonfunctional turf on any  
4 property that is not zoned exclusively for a single-family residence.

5        2. The Board of Directors shall:

6        (a) Define “functional turf” and “nonfunctional turf” for the purposes of  
7 subsection 1 and promulgate the definitions in the service rules of the member  
8 agencies of the Southern Nevada Water Authority; and

9        (b) Develop a plan to identify and facilitate the removal of existing  
10 nonfunctional turf within the service area of the Southern Nevada Water  
11 Authority on property that is not zoned exclusively for a single-family  
12 residence. The plan must, without limitation:

13        (1) Establish phases for the removal of nonfunctional turf based on  
14 categories of water users; and

15        (2) Establish deadlines within the service area of the Southern Nevada  
16 Water Authority for existing customers to remove nonfunctional turf on  
17 property that is not zoned exclusively for a single-family residence before  
18 December 31, 2026.

19        3. The Board of Directors may approve an extension or a waiver from:

20        (a) The prohibition set forth in subsection 1; and

21        (b) The provisions of the plan developed pursuant to subsection 2.

22        4. The provisions of this section do not prohibit a person from:

23        (a) Complying with any requirement adopted by the governing body of a  
24 county or city pursuant to chapter 278 of NRS to maintain open space or  
25 drought tolerant landscaping on any property that is not zoned exclusively for  
26 a single family residence; or

27        (b) Using alternative sources of water to irrigate nonfunctional turf on and  
28 after January 1, 2027, on any property that is not zoned exclusively for a  
29 single-family residence.

30        Sec. 40. 1. The Nonfunctional Turf Removal Advisory Committee is  
31 hereby created. The Advisory Committee consists of the following seven voting  
32 members appointed by the Board of Directors:

33        (a) One member who represents an office park with existing nonfunctional  
34 turf at the time the member is appointed;

35        (b) One member who represents an organization representing businesses;

36        (c) One member who represents an industrial or commercial business with  
37 existing nonfunctional turf at the time the member is appointed;

38        (d) One member who represents a common-interest community with  
39 existing nonfunctional turf at the time the member is appointed;

40        (e) One member who represents multi-family housing with existing  
41 nonfunctional turf at the time the member is appointed;

42        (f) One member who represents an environmental organization; and

43        (g) One member who represents a local government with existing  
44 nonfunctional turf at the time the member is appointed.

45        2. Members of the Advisory Committee serve without compensation.

46        Sec. 41. The Nonfunctional Turf Removal Advisory Committee:

47        1. Shall discuss issues related to the use and removal of nonfunctional  
48 turf by each water use sector, including, without limitation, issues relating to  
49 the plan developed pursuant to section 39 of this act to identify and remove  
50 nonfunctional turf; and

51        2. May provide written recommendations to the Board of Directors  
52 regarding the plan developed pursuant to section 39 of this act, including,  
53 without limitation, any recommendations for waivers or exemptions to the

1 provisions of section 39 of this act. Any recommendation made by the  
2 Advisory Committee must be approved by a majority vote of all of the voting  
3 members of the Advisory Committee. Any dissenting opinion of a member of  
4 the Advisory Committee to a recommendation must be fully documented and  
5 included with the recommendation to the Board of Directors.

6 Sec. 42. 1. The Legislative Committee on Public Lands shall conduct a  
7 study during the 2021-2022 interim concerning water conservation in this  
8 State. The study must include, without limitation, an examination of:

9 (a) The management of water resources in this State; and

10 (b) Programs and policies to promote water conservation in this State that  
11 also protect and support existing water rights.

12 2. In addition to any report required by NRS 218E.525, the Committee  
13 shall, on or before February 1, 2023, submit a report of its findings and any  
14 recommendations for legislation to the Director of the Legislative Counsel  
15 Bureau for transmittal to the 82nd Session of the Nevada Legislature.

16 ~~Sec. 36.~~ Sec. 43. 1. This section ~~becomes~~ and sections 36 to 39,  
17 inclusive, of this act become effective upon passage and approval.

18 2. Sections 1 to 35, inclusive, of this act become effective:

19 (a) Upon passage and approval for the purpose of adopting any regulations and  
20 performing any other preparatory administrative tasks that are necessary to carry  
21 out the provisions of this act; and

22 (b) On July 1, 2021, for all other purposes.

23 3. Sections 40 and 41 of this act become effective:

24 (a) Upon passage and approval; and

25 (b) Expire by limitation on December 31, 2026.

26 4. Section 42 of this act becomes effective on July 1, 2021.